



General Assembly

January Session, 2001

Raised Bill No. 6939

LCO No. 4416

Referred to Committee on Human Services

Introduced by:
(HS)

***AN ACT PROMOTING ADMINISTRATIVE EFFICIENCY IN
ASSISTANCE PROGRAMS FUNDED OR ADMINISTERED BY THE
DEPARTMENT OF SOCIAL SERVICES, ESTABLISHING AN EARNED
INCOME CREDIT AGAINST THE PERSONAL INCOME TAX AND
CONCERNING THE TEMPORARY FAMILY ASSISTANCE PROGRAM.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) Any person who qualifies for and claims the earned
2 income credit allowable under Section 32 of the Internal Revenue Code
3 of 1986, or any subsequent corresponding internal revenue code of the
4 United States, as from time to time amended, for any taxable year shall
5 be entitled to a credit in determining the amount of tax liability under
6 chapter 229 of the general statutes for such taxable year. The credit
7 allowed under this section shall equal ten per cent of the credit allowed
8 under Section 32 of said Internal Revenue Code for the taxable year. If
9 the amount of the credit allowed under this section exceeds the
10 taxpayer's liability, the Commissioner of Revenue Services shall treat
11 such excess as an overpayment and shall pay the taxpayer the amount of
12 such excess, without interest.

13 Sec. 2. (NEW) The Commissioner of Social Services shall designate

14 ____ per cent of the moneys received under the temporary assistance for
15 needy families block grant for purposes of funding the earned income
16 credit established under section 1 of this act.

17 Sec. 3. (NEW) The Department of Social Services and any public or
18 private agency or organization administering an assistance program
19 which is funded or administered in whole or in part by the
20 Department of Social Services shall offer to take simultaneous
21 applications from an applicant for all assistance programs which are
22 funded or administered in whole or in part by said department and for
23 which an applicant may be eligible. The department or such agency or
24 organization shall provide such applicant with written summaries of
25 all such programs for which the applicant may be eligible. The
26 Department of Social Services shall adopt regulations, in accordance
27 with chapter 54 of the general statutes, to implement the provisions of
28 this section. Such regulations shall specify requirements for the form
29 and content of the written summaries.

30 Sec. 4. Section 17b-60 of the general statutes is repealed and the
31 following is substituted in lieu thereof:

32 An aggrieved person authorized by law to request a fair hearing on
33 a decision of the Commissioner of Social Services or the conservator of
34 any such person on [his] behalf of such person may make application
35 for such hearing in writing over his or her signature to the
36 commissioner and shall state in such application in simple language
37 the reasons why he or she claims to be aggrieved. Such application
38 shall be mailed to the commissioner within sixty days after the
39 rendition of such decision. The commissioner shall thereupon hold a
40 fair hearing within thirty days from receipt thereof and shall, at least
41 ten days prior to the date of such hearing, mail a notice, giving the
42 time and place thereof, to such aggrieved person, or if the application
43 concerns [a denial of or failure to provide emergency housing] an
44 urgent, unmet need, the commissioner shall hold a fair hearing within
45 [four] seven business days from receipt thereof, and shall make all

46 reasonable efforts to provide notice of the time and place of the fair
47 hearing to such aggrieved person at least [one] three business [day]
48 days prior to said hearing. A reasonable period of continuance may be
49 granted for good cause. The aggrieved person shall appear personally
50 at the hearing, unless his or her physical or mental condition precludes
51 appearing in person, and may be represented by an attorney or other
52 authorized representative. A stenographic or mechanical record shall
53 be made of each hearing, but need not be transcribed except (1) in the
54 event of an appeal from the decision of the hearing officer or (2) if a
55 copy is requested by the aggrieved person, in either of which cases it
56 shall be furnished by the Commissioner of Social Services without
57 charge. The Commissioner of Social Services and any person
58 authorized by [him] said commissioner to conduct any hearing under
59 the provisions of this section shall have power to administer oaths and
60 take testimony under oath relative to the matter of the hearing and
61 may subpoena witnesses and require the production of records, papers
62 and documents pertinent to such hearing. No witness under subpoena
63 authorized to be issued by the provisions of this section shall be
64 excused from testifying or from producing records, papers or
65 documents on the ground that such testimony or the production of
66 such records or other documentary evidence would tend to
67 incriminate [him] such witness, but such evidence or the records or
68 papers so produced shall not be used in any criminal proceeding
69 against him or her. If any person disobeys such process or, having
70 appeared in obedience thereto, refuses to answer any pertinent
71 question [put to him] by the commissioner or [his] the commissioner's
72 authorized agent or to produce any records and papers pursuant
73 thereto, the commissioner or [his] such agent may apply to the
74 superior court for the judicial district of Hartford or for the judicial
75 district wherein the person resides, or to any judge of said court if the
76 same is not in session, setting forth such disobedience to process or
77 refusal to answer, and said court or such judge shall cite such person to
78 appear before said court or such judge to answer such question or to
79 produce such records and papers and, upon [his] refusal to do so, shall

80 commit such person to a community correctional center until [he] such
 81 person testifies, but not for a longer period than sixty days.
 82 Notwithstanding the serving of the term of such commitment by any
 83 person, the commissioner or [his] the commissioner's authorized agent
 84 may proceed with such inquiry and examination as if the witness had
 85 not previously been called upon to testify. Officers who serve
 86 subpoenas issued by the commissioner or under [his] the authority of
 87 the commissioner and witnesses attending hearings conducted by
 88 [him] the commissioner hereunder shall receive like fees and
 89 compensation as officers and witnesses in the courts of this state to be
 90 paid on vouchers of the commissioner on order of the Comptroller. For
 91 the purposes of this section, "urgent, unmet need" includes a denial of
 92 or failure to provide emergency housing, a denial of or failure to
 93 provide food stamps where the household meets the criteria for
 94 processing on an expedited basis, a denial of or failure to process an
 95 application for cash assistance under the temporary family assistance
 96 program including extensions, a denial of or failure to process an
 97 application for medical assistance, or a denial of or failure to provide,
 98 in a timely manner, medical services.

99 Sec. 5. Subsection (a) of section 17b-61 of the general statutes is
 100 repealed and the following is substituted in lieu thereof:

101 (a) Not later than sixty days after such hearing, or [three] seven
 102 business days if the hearing concerns [a denial of or failure to provide
 103 emergency housing] an urgent, unmet need, as defined in section 17b-
 104 60, as amended, the commissioner or [his] a designated hearing officer
 105 shall render a final decision based upon all the evidence introduced
 106 [before him] and applying all pertinent provisions of law, regulations
 107 and departmental policy, and such final decision shall supersede the
 108 decision made without a hearing, provided final definitive
 109 administrative action shall be taken by the commissioner or [his] such
 110 designee within ninety days after the request of such hearing pursuant
 111 to section 17b-60. Notice of such final decision shall be given to the
 112 aggrieved person by mailing [him] a copy thereof within one business

113 day of its rendition. Such decision after hearing shall be final except as
114 provided in subsections (b) and (c) of this section.

115 Sec. 6. Section 17b-112 of the general statutes is repealed and the
116 following is substituted in lieu thereof:

117 (a) The Department of Social Services shall administer a temporary
118 family assistance program under which cash assistance shall be
119 provided to eligible families in accordance with the temporary
120 assistance for needy families program, established pursuant to the
121 Personal Responsibility and Work Opportunity Reconciliation Act of
122 1996. Under the temporary family assistance program, benefits shall be
123 provided to a family for not longer than twenty-one months, except as
124 provided in subsections (b) and [(c)] (d) of this section. For the purpose
125 of calculating said twenty-one-month time limit, months of assistance
126 received on and after January 1, 1996, pursuant to time limits under
127 the aid to families with dependent children program, shall be
128 included. For purposes of this section, "family" means one or more
129 individuals who apply for or receive assistance together under the
130 temporary family assistance program.

131 (b) The Commissioner of Social Services shall exempt a family from
132 such time-limited benefits for circumstances including, but not limited
133 to: (1) A family with a needy caretaker relative who is incapacitated or
134 of an advanced age, as defined by the commissioner, if there is no
135 other nonexempt caretaker relative in the household; (2) a family with
136 a needy caretaker relative who is needed in the home because of the
137 incapacity of another member of the household, if there is no other
138 nonexempt caretaker relative in the household; (3) a family with a
139 caretaker relative who is not legally responsible for the dependent
140 children in the household if such relative's needs are not considered in
141 calculating the amount of the benefit and there is no other nonexempt
142 caretaker relative in the household; (4) a family with a caretaker
143 relative caring for a child who is under one year of age and who was
144 born not more than ten months after the family's enrollment if there is

145 no other nonexempt caretaker relative in the household; (5) a family
 146 with a pregnant or postpartum caretaker relative if a physician has
 147 indicated that such relative is unable to work and there is no other
 148 nonexempt caretaker relative in the household; (6) a family with a
 149 caretaker relative determined by the commissioner to be unemployable
 150 and there is no other nonexempt caretaker relative in the household;
 151 and (7) minor parents attending and satisfactorily completing high
 152 school or high school equivalency programs.

153 (c) A family who is subject to time-limited benefits shall, for good
 154 cause, be excused from failing to participate in a work activity, as
 155 defined in section 17b-112a. The Commissioner of Social Services shall
 156 make a finding of good cause for failure to participate in a work
 157 activity if the family fails to comply with the requirements concerning
 158 work activity due to circumstances beyond the control of the family
 159 which prevent compliance with such requirements. Such
 160 circumstances shall include the unavailability or inaccessibility of safe
 161 and adequate child care or the inability to guarantee payment for child
 162 care by the Department of Social Services or its contractor.

163 ~~[(c)]~~ (d) A family who is subject to time-limited benefits may
 164 petition the Commissioner of Social Services for six-month extensions
 165 of such benefits. The commissioner shall grant such an extension to a
 166 family who has made a good faith effort to comply with the
 167 requirements of the program and despite such effort has a total family
 168 income at a level below the payment standard, or has encountered
 169 circumstances preventing employment including, but not limited to:
 170 (1) Domestic violence or physical harm to such family's children; or (2)
 171 other circumstances beyond such family's control. [Earned income
 172 counting towards total family income shall have ninety dollars
 173 disregarded.] When calculating total family income, the commissioner
 174 shall disregard ninety dollars of earned income. Such family shall be
 175 notified by the department of the right to petition for such extensions.
 176 A family who is ineligible for six-month extensions based on a lack of
 177 good faith effort to seek and maintain employment shall be eligible for

178 such extensions so long as the nonexempt caretaker relative has
179 earnings of at least five hundred dollars in any consecutive three-
180 month period since discontinuance from the program. A family who is
181 ineligible for such extensions based on the receipt of sanctions or a
182 determination that such family has not made a good faith effort to seek
183 and maintain employment and who did not appeal such sanctions or
184 determination pursuant to section 17b-60, as amended, may request
185 and shall receive a review of such sanctions or determination by the
186 commissioner. The commissioner shall conduct such review and notify
187 the family, in writing, of any findings within thirty days of receipt of
188 the request for review. If the commissioner overturns such sanctions or
189 determination after such review, such family shall be granted such
190 extensions provided it is otherwise eligible. If the commissioner
191 upholds such sanctions or determination, such family may request and
192 shall be provided a fair hearing in accordance with section 17b-60, as
193 amended.

194 ~~[(d)]~~ (e) Medicaid eligibility shall be extended for two years to a
195 family who becomes ineligible for cash assistance while employed or a
196 family with an adult who, within six months of becoming ineligible,
197 becomes employed.

198 ~~[(e)]~~ (f) Under said program (1) no family shall be eligible that has
199 total gross earnings exceeding the federal poverty level, however, in
200 the calculation of the benefit amount for eligible families and
201 previously eligible families that become ineligible temporarily because
202 of receipt of workers' compensation benefits by a family member who
203 subsequently returns to work immediately after the period of receipt of
204 such benefits, earned income shall be disregarded up to the federal
205 poverty level; (2) the increase in benefits to a family in which an infant
206 is born after the initial ten months of participation in the program shall
207 be limited to an amount equal to fifty per cent of the average
208 incremental difference between the amounts paid per each family size;
209 and (3) a disqualification penalty shall be established for failure to
210 cooperate with the biometric identifier system.

211 [(f)] (g) A family receiving assistance under said program shall
212 cooperate with child support enforcement, under title IV-D of the
213 Social Security Act. A family shall be ineligible for benefits for failure
214 to cooperate with child support enforcement.

215 [(g)] (h) A family leaving assistance at the end of said twenty-one-
216 month time limit, including a family with income above the payment
217 standard, shall have an interview for the purpose of being informed of
218 services that may continue to be available to such family, including
219 employment services available through the Labor Department. Said
220 interview shall contain a determination of benefits available to said
221 family provided by the Department of Social Services. Said interview
222 shall also include a determination of whether such family is eligible for
223 food stamps or Medicaid. Information and referrals shall be made to
224 such a family for services and benefits including, but not limited to, the
225 earned income tax credit, rental subsidies emergency housing,
226 employment services and energy assistance.

227 [(h)] (i) An applicant or recipient of temporary family assistance
228 who is adversely affected by a decision of the Commissioner of Social
229 Services may request and shall be provided a hearing in accordance
230 with section 17b-60.

231 [(i)] (j) The commissioner may continue to operate under all or
232 portions of the federal waivers granted under Section 1115 of the Social
233 Security Act for the demonstration entitled "Reach For Jobs First".
234 Notwithstanding continuation of the provisions of said federal
235 waivers, the commissioner shall continue the evaluation of the
236 effectiveness of the temporary family assistance program and may
237 continue to utilize a control group using different program
238 requirements.

239 [(j)] (k) The commissioner shall report, annually on or before
240 November fifteenth, to the joint standing committees of the General
241 Assembly having cognizance of matters relating to human services and
242 appropriations and the budgets of state agencies on the funding

243 requirements necessary to support the programs funded by the
244 temporary assistance for needy families block grant.

245 [(k)] (l) The Commissioner of Social Services shall implement
246 policies and procedures necessary for the purposes of this section
247 while in the process of adopting such policies and procedures in
248 regulation form, provided the commissioner prints notice of intention
249 to adopt the regulations in the Connecticut Law Journal within twenty
250 days of implementing such policies and procedures. Final regulations
251 shall be submitted to the legislative regulation review committee no
252 later than November 15, 1997. Policies and procedures implemented
253 pursuant to this subsection shall be valid until the time final
254 regulations are effective.

255 Sec. 7. Section 17b-112e of the general statutes is repealed and the
256 following is substituted in lieu thereof:

257 (a) The Department of Social Services shall provide safety net
258 services for certain families no longer receiving benefits or who are at
259 risk of losing benefits under the temporary family assistance program.
260 Such families include those who are not eligible for six-month
261 extensions of benefits due to: (1) The receipt of two sanctions from the
262 department during the first twenty months of the twenty-one-month
263 time limit of said temporary family assistance program, or (2) the
264 determination by the department that such a family has not made a
265 good-faith effort to seek and maintain employment.

266 (b) Said safety net shall consist of services provided through the
267 existing community service delivery network with additional
268 resources provided by the Department of Social Services. Services shall
269 be provided in-kind or through vendor or voucher payment. Services
270 may include the following: (1) Food, shelter, clothing and employment
271 assistance; (2) eviction prevention; (3) intensive case management; (4)
272 continuous monitoring for child abuse or neglect; [and] (5) for families
273 at risk of losing benefits under the temporary family assistance
274 program, individual performance contracts requiring job training, job

275 searching, volunteer work, participation in parenting programs or
276 counseling or any other requirements deemed necessary by the
277 Commissioner of Social Services; (6) for families at risk of being denied
278 a six-month extension of benefits based on a lack of good-faith effort to
279 seek and maintain employment due to the loss of employment in the
280 twenty-first month of the temporary family assistance program,
281 individual performance contracts as specified in subdivision (5) of this
282 subsection; and (7) for families at risk of being denied a six-month
283 extension of benefits based on a lack of good-faith effort to seek and
284 maintain employment and who have not previously completed an
285 individual performance contract as specified in subdivision (5) of this
286 subsection, individual performance contracts as specified in said
287 subdivision.

288 (c) Families successfully meeting the program requirements
289 established by the individual performance contracts in subdivision (5)
290 of subsection (b) of this section prior to the end of the twenty-one-
291 month time limit shall be considered to have made a good faith effort
292 to comply with the requirements of the program for the purposes of
293 qualifying for a six-month extension, provided they have made a good
294 faith effort to comply with the individual performance contract or have
295 not incurred a sanction subsequent to completing the individual
296 performance contract. Families described in subdivisions (6) and (7) of
297 subsection (b) of this section who have substantially complied with the
298 individual performance contract in subdivision (5) of subsection (b) of
299 this section within thirty days of entering into such contract shall be
300 considered to have made a good-faith effort to comply with the
301 requirements of the program for the purposes of qualifying for a six-
302 month extension.

303 (d) The Commissioner of Social Services shall implement policies
304 and procedures necessary for the purposes of this section while in the
305 process of adopting such policies and procedures in regulation form,
306 provided the commissioner prints notice of intention to adopt the
307 regulations in the Connecticut Law Journal within twenty days of

308 implementing such policies and procedures. Final regulations shall be
309 submitted to the legislative regulation review committee no later than
310 November 15, 1997. Policies and procedures implemented pursuant to
311 this subsection shall be valid until the time final regulations are
312 effective.

313 Sec. 8. (a) The joint standing committee of the General Assembly
314 having cognizance of matters relating to human services shall conduct
315 a study to determine the circumstances and prospects of families that
316 formerly received benefits under the temporary family assistance
317 program established under section 17b-112 of the general statutes, as
318 amended by this act. Not later than January 1, 2002, said committee
319 shall submit a report of its findings and recommendations to the
320 General Assembly.

321 (b) The sum of ____ dollars is appropriated to the joint committee
322 on legislative management, from the General Fund, for the fiscal year
323 ending June 30, 2002, for use by the joint standing committee of the
324 General Assembly having cognizance of matters relating to human
325 services in conducting the study required by subsection (a) of this
326 section.

327 Sec. 9. This act shall take effect from its passage and section 1 shall
328 be applicable to taxable years commencing on or after January 1, 2001,
329 except that section 8 shall take effect July 1, 2001, and sections 3 to 7,
330 inclusive, shall take effect October 1, 2001.

Statement of Purpose:

To establish a state earned income tax credit; to streamline the application process for assistance programs administered by the Department of Social Services by minimizing the administrative expense of duplicate applications and ensuring that applicants receive information about programs for which they may be eligible; to require expedited fair hearings concerning denials of urgent, unmet needs; to provide that lack of safe and adequate child care shall constitute good cause for failure to participate in a work activity required under the temporary family assistance program; to permit families which have

exhausted the twenty-one-month time limited benefits under the temporary family assistance program to regain eligibility for six-month extensions through establishing a work history or participation in individual performance contracts; and to permit families to seek review of sanctions.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]